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# **THE POVERTY DATUM LINE**

**IN THREE CITIES AND FOUR TOWNS  
IN THE REPUBLIC OF SOUTH AFRICA**

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THREE CITIES AND FOUR TOWNS  
IN SOUTH AFRICA IN 1966.

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H.L. Watts.

SYNOPSIS

The Poverty Datum Line is a technique for describing the theoretical minimum cost of living. It estimates the lowest possible cost for maintaining a household in health and decency under Western conditions, in the short run only. Food, clothing, cleansing materials, and fuel and lighting are taken into account, bearing in mind the varying needs of persons of different ages and sexes. Totalling the costs for each individual in a household, and adding the total household's needs for fuel and lighting, yields the Primary Poverty Datum Line for a household. Adding the cost of rent and worker's transport to and from work, gives the Secondary Poverty Datum Line.

The Primary Poverty Datum Line was costed in detail in 1966 for three cities and four towns in South Africa. These are Johannesburg, Pretoria and Durban; and Benoni, Springs, Witbank and Greytown. The latter is a small non-industrial town, in contrast to the other towns which all have an important amount of industry. The methods used for costing the Datum Line are described.

Taking household of a man (engaged in manual work) and a woman, with a son aged 14 years, a daughter aged 11 years, and two children aged 7 - 9 years, the Primary Poverty Datum Line for this household in 1966 was:

Johannesburg	-	R50.29
Pretoria	-	48.37
Durban	-	53.72

(iii)

Springs	-	R49.77
Benoni	-	49.77
Witbank	-	51.24
Greytown	-	58.74

These figures are theoretically applicable to any racial group. To this must be added in each case rent, and the cost of transport to and from work - more or less R8.00 odd extra for Africans in these towns, as the case may be. Thus, the minimum cost of living in African townships in these three cities and four towns for the family of six quoted above, varies between R56.00 odd and R66.00 odd, per month. This gives some idea of the minimum level which wages for married men theoretically should reach.

## INTRODUCTION

Since the turn of the century when Rowntree first developed a Poverty Datum Line in his attempt to assess poverty in York, England,<sup>1]</sup> most authorities have regarded the Poverty Datum Line in one form or another as the best method available for assessing the socio-economic status and level of a household. The Poverty Datum Line defines the cost of the minimum theoretical needs for a household to maintain decent and healthy survival under short-term conditions. In South Africa, work on Poverty Datum Lines has been undertaken in the first instance by Batson at the University of Cape Town.<sup>2]</sup> The pioneering of Batson in this country has been based on the Poverty Datum Line as modified mainly by Bowley, who improved on the early work of Rowntree.<sup>3]</sup> Following on Batson's work, the South African Council for Scientific and Industrial Research undertook poverty surveys to measure rent-paying ability in five towns. This work, undertaken after the second World War, was in close collaboration with Batson and

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- 1] Rowntree, B.S. (1901): Poverty : A Study of Town Life : MacMillan, London.
  - 2] Batson, E. (1941): Series of Reports and Studies issued by the Social Survey of Cape Town : Department of Sociology and Social Administration, University of Cape Town, Cape Town. (Mimeographed). Reports Nos. SS. 1 - 30.
  - 3] Bowley, A.L. and Burnett-Hurst, A.R. (1915): Livelihood and Poverty : P.F. King & Son, London.

essentially used his methods.<sup>1]</sup> Further work was undertaken by the Council for Scientific and Industrial Research,<sup>2]</sup> and also more recently by the Department of Economics at the University of Natal. The approach adopted by the latter university has been in affect comparable to the work of Batson, with the variation in approach being minor.<sup>3]</sup>

The Institute of Race Relations has from time to time issued pamphlets describing the cost of living of Bantu in the Soweto (Johannesburg) complex of townships. These are essentially along the lines of Batson's work, and represent the application of his methods in a particular

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- 1] Committee on Socio-Economic Surveys for Bantu Housing Research (1960): A Survey of Rent-Paying Capacity of Urban Natives in South Africa : South African Council for Scientific and Industrial Research, Pretoria.
  - 2] Watts, H.L. (1959): An analysis of some of the Housing requirements of the Urban White Population of the Union of South Africa : National Institute for Personnel Research, C.S.I.R., Johannesburg. (Mimeographed); and Watts, H.L. (1962): Survey of the Housing requirements of Coloureds in towns of the Western Cape Province : National Institute for Personnel Research, C.S.I.R., Johannesburg (Mimeographed). Confidential Report. These two studies lifted over the Poverty Datum Line directly as used by the first study into the rent-paying capacity of Bantu in South Africa, referred to under Footnote 1] above.
  - 3] Department of Economics, University of Natal (c.1959): Rent-Paying Capacity and the cost of living of Urban African Families in Durban : Unpublished manuscript, University of Natal, Durban.

area.<sup>1]</sup>

This present fact paper gives the cost of the Poverty Datum Line in three cities and four towns in the Republic in 1966. The research was undertaken in connection with a study being conducted by the Institute for Social Research. The cities covered Johannesburg, Pretoria, and Durban. The four towns comprised two Reef towns - Benoni, and Springs, with the Daveyton and Kwa Thema townships respectively, a small industrial town away from the Reef - Witbank, and a small non-industrial town - Greytown. The methods used were intended to parallel those adopted by the C.S.I.R. Survey into the rent-paying capacity of urban Natives in South Africa.<sup>2]</sup> That is to say, the work is essentially in the last resort based on Batson's techniques.

The tables for the Primary Poverty Datum Line were aimed at establishing the cost of living of Bantu in the three cities and four towns chosen. However, because the theoretical minimum for human beings is the same irrespective of race, these figures provide a guide for any racial

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1] Wix, Ethel (1951): The Cost of Living : South African Institute of Race Relations, Johannesburg; also Gibson, Olive (1954): The Cost of Living for Africans : South African Institute of Race Relations, Johannesburg; also de Gruchy, Joy (1960): The Cost of Living for Urban Africans : South African Institute of Race Relations, Johannesburg; and Suttner, Sheila (1966): Cost of Living in Soweto, 1966 : South African Institute of Race Relations, Johannesburg.

2] op. cit.



group living in the towns concerned.

In all the towns except Johannesburg, the prices were established de novo. The Johannesburg figures are based on the published details prepared by Suttner<sup>1]</sup> with certain amendments and additions to her material, and calculations designed to produce a set of tables which would be directly comparable with those for the other six towns investigated by the Institute for Social Research.

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1] Suttner, (1966): op. cit.

THE COSTING OF THE ITEMS FOR THE  
POVERTY DATUM LINE.

The largest component in the Poverty Datum Line is the cost of the theoretical minimum amount of food required to maintain health. The problem here is the choice of a detailed diet. The work of physiologists has suggested that the requirements of an individual vary both with the age and the sex. It was decided not to use the details published in the C.S.I.R. Report into "The Rent-Paying Capacity of Urban Natives in South Africa"<sup>1]</sup>, on the grounds that it was not possible to establish the detailed variation in the cost of food for various age and sex groups. The published diets given in this report are not detailed enough, and therefore a search was made for a comparable diet for which full details were available. In the end, on the advice of Dr. J.F. Potgieter of the National Nutrition Research Institute of the Council for Scientific and Industrial Research, it was decided to use the daily food rations for adults and children put out by the Department of Agricultural Technical Services. A detailed comparison of the diet suggests that it is in all major respects comparable

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1] Report on the Committee on Socio-Economic Surveys for Bantu Housing Research (1960): op. cit., pp. 55 following. The cost of the diet of various age and sex groups was reckoned on the basis of the proportion of their protein requirements to that of an adult male. With the great increase in the cost of protein since the 1952/54 fieldwork of the study, it was felt that this procedure would be too crude today.

with the type of diet used by the earlier studies referred to previously. Table I, page 11 below gives this diet.

The man-unit approach for estimating food costs, referred to on page 8 of Suttner's study<sup>1]</sup> was rejected on the grounds that the use of calories alone did not reflect the full variation in costs in diet for individuals of various age and sex groups. With the high prices of food today small variations can produce a significant difference on a monthly basis, and therefore it was decided to be as precise as possible - within the framework of what is admitted by all experts to be only an approximate measure of the basic cost of living.

The aim in costing the clothing component was to keep the methodology comparable with that adopted by the Committee on Socio-Economic Surveys for Bantu Housing Research.<sup>2]</sup> The difficulty involved here was that the details published in this report were not sufficient to allow the methodology to be lifted over exactly. However, the study by Suttner<sup>3]</sup> uses similar techniques to Batson (apparently lifting over his methods more or less exactly), and gives in detail the clothing items. The items given by Suttner were used, but the procedure followed by the Committee on Socio-Economic Housing Surveys was followed in regard to children, in

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1] Suttner (1966): op. cit.

2] Committee on Socio-Economic Surveys for Bantu Housing Research (1960): op. cit., pp. 60 - 61, and p. 47.

costing children at the following proportions of the cost for women - children aged 0 - 4 years 25%; children aged 5 - 9 years 50%; children aged 10 - 15 years 75%.<sup>1]</sup> (It should be noted that the figure in the report was for children aged 10 - 16 years, but as the food component for this present study ended children at 15 years, this slight alteration was made.)

The remaining basic components of the Primary Poverty Datum Line are the minimum costs of fuel and lighting, and washing and cleansing materials. The report put out by the Committee on Socio-Economic Surveys for Bantu Housing Research does not give details of how the components for fuel and lighting, and washing and cleansing materials were constructed. Only the end figures for cost are quoted.<sup>2]</sup> By contrast, Suttner gives greater details of how her fuel and light, and washing and cleaning materials were costed.<sup>3]</sup> As her procedure was based on Batson's methodology, it seemed acceptable to use her detailed items for costing. However, the problem is how to allocate the cost of these items to individuals on the one hand, and on the other hand to a household, because Suttner deals purely with a household. As it is desirable to be able to quote the components for individuals in order that the costs for households of

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- 1] Committee on Socio-Economic Surveys for Bantu Housing Research (1960): op. cit., p. 47.
  - 2] Committee on Socio-Economic Surveys for Bantu Housing Research (1960): op. cit., p. 62.
  - 3] Suttner (1966): op. cit., pp. 10 - 11.

different sizes can be calculated, Suttner's approach had to be modified. She works with an average household of five persons. In the end the solution adopted was as follows:

In regard to cleaning materials, those items in Table 10, page 11, of Suttner's report which could be regarded as being used for individual persons rather than the household as a whole were extracted from the table, and the cost thereof divided by five (the size of her average household) to give an estimated per capita cost. The items chosen as being individual were Sunlight soap, soap powder and shoe polish. The remaining items were treated as being part of the household component irrespective of the size of the household, on the assumption that much the same amount of cleansing materials would be required to run a house. The lighting and fuel component had to be broken down into that required to run a household on the one hand, and probably very much the same regardless of the size of the household concerned, and on the other hand that required per individual person. There was no indication of how Suttner had arrived at her compound figure for five persons. In an effort to estimate this, and following the assumption that her methodology approximated closely to the methodology used in the Committee report (on the grounds that both studies followed Batson's technique) the figures given in Table 18, page 62, of the Committee report were weighted up by means of consumer of price indices to give an estimate for the present day costs. This yielded a figure of 30 cents per month

per person for lighting. This was taken as an estimate for the present time and added to the individual cleaning component previously obtained in order to form a total for each individual. The remainder of the fuel requirements as laid down on page 10 of Suttner's report was obtained by subtracting R1.50 (that is five times 30 cents allowed for a five person household) from her total of R3.47½ for Johannesburg. This was taken as the average cost to run a household in terms of fuel and lighting irrespective of the size of the household. Adding this figure to the household component for cleansing, yielded a total household component. This procedure was adopted in the pricing of various towns for fuel and lighting, and washing and cleansing, costing the individual items given by Suttner. There is no grounds for believing that any errors introduced are serious.<sup>1]</sup>

Taking together the components of food, clothing, fuel and lighting, and washing and cleansing materials, yields the Primary Poverty Datum Line. In any individual

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1] It may well be asked why when both the Committee of Socio-Economic Housing Surveys, and Suttner use what is essentially Batson's technique, no recourse was made to original descriptions by Batson as to how the various Poverty Datum Line components were constructed. The problem essentially was that a search of the literature failed to reveal the necessary details, and correspondence with the University of Cape Town did not clear this point up. Therefore, if the aim was to produce results which were comparable to the type of Poverty Datum Line constructed by the Committee on Socio-Economic Surveys for Bantu Housing, then the procedure adopted above seemed to be the best solution.

situation the Secondary Poverty Datum Line can be obtained by adding the cost of rent and transport of workers to and from work. Once the Poverty Datum Line items had been recosted, a comparison was made between the results and those obtained by weighting up the Committee's report figures by means of price indices. This would give a very rough comparison between the sets of components. The agreement on the whole was close. The adjusted Committee figures over-estimated the food component, whereas the clothing component was almost identical. Fuel and lighting were again reasonably close, but the adjusted Committee figures appeared to under-estimate the cost of cleansing. On the whole the agreement between the two sets of estimates was sufficiently close for us to be able to contend that the Poverty Datum Line as calculated for this fact paper is in all reasonable respects comparable with that used for the five town survey carried out in the 1950's by the Committee on Socio-Economic Surveys. The present datum line figures presented in this paper have the advantage of being costed de novo for the individual towns, so that the problem of errors introduced by means of weighting earlier figures in terms of consumer of price indices has been avoided. The results are given in the following tables.

TABLE I

MINIMUM DIET, ON A MONTHLY BASIS, FOR PERSONS OF VARIOUS AGE AND SEX GROUPS.

Derived from the Daily Food Rations for Adults, published in July 1965 by the Department of Agricultural Technical Services Pretoria.

ITEM	In Fractions of a Pound										
	Very	Mod.	Mod.	Child	Child	Child	Child	Boy	Boy	Girl	Girl
	Active	Active	Active	under	4-6	7-9	10-12	13-15	16-20	13-15	16-20
	Man	Man	Woman	4 yrs.	yrs.	yrs.	yrs.	yrs.	yrs.	yrs.	yrs.
Skimmed Milk											
Powder	2.813	2.813	2.813	2.813	2.813	3.750	3.750	4.688	4.688	4.688	4.688
Meat/Fish	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750
Dried Beans/Peas	7.500	3.750	3.750	1.875	1.875	1.875	1.875	3.750	3.750	3.750	3.750
Potatoes	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750
Fresh Vegetables	15.000	15.000	15.000	7.500	7.500	11.250	11.250	15.000	15.000	15.000	15.000
Margarine	2.813	1.875	1.875	0.938	0.938	0.938	1.406	1.875	2.813	1.875	1.875
Oil	1.875	0.938	0.938	-	0.469	0.469	0.469	0.938	1.406	0.469	0.469
Brown Bread	15.000	15.000	15.000	5.625	9.375	11.250	15.000	15.000	15.000	15.000	15.000
Mealie Meal	30.000	15.000	9.375	5.625	7.500	9.375	11.250	15.000	22.500	15.000	11.250
Samp/Malie Rice	11.250	11.250	3.750	-	1.875	3.750	7.500	9.375	9.375	3.750	3.750
Sugar	7.500	3.750	3.750	1.875	1.875	3.750	3.750	3.750	5.625	3.750	3.750
Coffee/Tea	0.938	0.469	0.469	-	-	0.268	0.268	0.268	0.268	0.268	0.268
Salt	0.938	0.938	0.938	0.234	0.234	0.469	0.469	0.938	0.938	0.938	0.938

NOTE: Based on a month of 30 days, 1 oz. daily = 1.875 pounds per month.



TABLE II  
PRICES OF FOODSTUFFS, 1966.  
PER POUND.

Item	Johannesburg <sup>1]</sup>	Pretoria	Durban	Witbank	Greytown	Benoni/ Springs
Skim Milk Powder	30c	30c	30c	30c	30c	30c
Meat/Fish	23	21	32	30	40	28
Dried Beans/Peas	16	16	14	16	22.8	16
Potatoes	5	5	2.4	5	8	5
Fresh Veggies.	5	3.5	6.6	4	8	3.5
Margarine	20	20	16	24	14	15
Oil <sup>2]</sup>	15.4	15.4	18.6	15.7	18.6	15.4
Brown Bread	3.75	3.75	3.75	3.75	3.75	3.75
Mealie Meal	3	2.8	3	2.8	3.3	2.8
Samp	3.5	3.3	3.6	3.2	3.1	3.0
Sugar	6.7	7.3	6	7.5	6.5	7.5
Coffee/Tea	45	45	44	45	50	44
Salt	3.5	3	3.5	3.5	2.5	3.5

- 1] These costs are taken from Suttner (1966) op. cit., p. 6, with some additions of items she did not use.
- 2] Costed as the fraction of a 26 fluid ounce bottle which 16 ozs. represents.

TABLE III

ITEMS COSTED FOR THE CLOTHING COMPONENT OF THE POVERTY DATUM LINE.

Items To Last One Year	Annual Cost in Various Towns.					
	Soweto (Johannesburg)	Pretoria	Durban	Kwa Thema & Daveyton (Springs & Benoni)	Witbank	Greytown
I. <u>ADULT MAN</u> :	R	R	R	R	R	R
1/3 overcoat (1 over 3 yrs.)	5.32	5.32	2.98	3.00	3.98	5.00
1 sports jacket	5.99	5.99	5.99	5.99	4.90	5.00
2 prs. flannel trousers	5.98	5.98	5.98	5.98	6.96	7.00
2 prs. brown walking shoes	5.98	5.98	5.98	5.98	6.78	8.50
4 white cotton shirts (long sleeves)	6.36	6.36	6.36	7.36	8.06	6.60
2 prs. cotton underpants	0.78	0.78	0.78	1.18	1.18	0.65
2 cotton vests	0.78	0.78	0.78	1.18	1.18	0.60
1 sleeveless cotton/wool pullover	1.99	1.99	1.99	1.99	4.00	2.45
3 prs. cotton socks	0.75	0.75	0.87	1.47	0.78	0.75
1 pr. cotton pyjamas (long legs)	1.99	1.99	1.99	1.99	2.59	2.99
Total Annual Cost	35.92	35.92	33.70	36.12	40.41	39.54
Cost Averaged Per Month	3.00	3.00	2.81	3.01	3.37	3.30

TABLE III (Contd.)

Items To Last One Year	Annual Cost in Various Towns.					
	Soweto (Johannesburg)	Pretoria	Durban	Kwa Thema & Daveyton (Springs & Benoni)	Witbank	Greytown
II. <u>ADULT WOMAN</u> :	R	R	R	R	R	R
1/3 coat (1 over 3 yrs.)	3.33	3.33	3.33	3.33	2.17	1.90
3 cotton dresses	8.97	8.97	9.97	11.97	8.97	8.97
1 skirt	2.99	2.99	2.99	2.99	2.99	2.65
1 cotton short-sleeved blouse	1.39	1.39	1.39	1.39	1.39	1.10
2 prs. shoes	3.98	3.98	3.98	3.98	2.99	5.10
2 prs. panties	0.70	0.70	0.58	0.58	0.78	0.70
2 vests	0.90	0.90	0.58	0.58	0.98	0.70
2 Brassieres	0.78	0.78	1.10	1.10	1.10	1.10
1 cotton petticoat	1.49	1.49	1.49	1.49	2.29	0.45
1 summer locknit nightgown	1.29	1.29	1.29	1.29	1.59	1.65
1 wool/cotton jersey	1.99	1.99	1.99	1.99	2.79	2.50
3 prs. stockings	0.75	0.75	0.75	0.43	0.87	1.05
2 head squares	0.58	0.58	0.58	0.58	0.38	0.90
Total Annual Cost	29.14	29.14	30.02	31.70	29.29	28.77
Cost Averaged Per Month	2.43	2.43	2.50	2.64	2.44	2.40

NOTES :

The source for the detailed items to be costed for the clothing component is Suttner (1966): op. cit., p. 9. Her prices for Soweto are quoted above. The other towns were costed specially. Springs and Benoni appeared to have the same lowest prices, and so are grouped together.

One of the major problems in costing clothes is to choose the same quality from one town to another - in this case that level of quality which will last for one year's wear. Variations in quality can produce wide variations in the cost of the clothing component. The prices quoted in Table III are not the very cheapest available. However, the even cheaper grades will not last as long, and appear to be more expensive in the end. The quality chosen was (as far as one can judge so unquantifiable an item as quality) that which was in terms of price in relation to wearing qualities a minimum level. In this respect the Johannesburg prices given by Suttner (1966), and quoted above, were used as a guide for determining the quality level to be aimed at.

In attempting to standardise from one town to another, the Johannesburg figures were taken as a rough guide to check that approximately the same quality was being priced. In towns with a branch of a national chain-store, this was relatively easy, because of the company's policy of maintaining the same prices for the same article in all their branches. However, variations in stock prevented complete uniformity in quality priced. (Even with the chain-store, not always precisely the same garments were available in different branches.) When in doubt, the guidance of shop assistants was sought in selecting garments which would wear for one year.

There is no doubt that of the various Poverty Datum Line items to be priced, clothing presents the greatest difficulty, with the problem of setting and maintaining the same quality to be

priced in different towns.

The following is the basis on which clothing for children was costed:

TABLE IV

BASIS FOR COSTING CLOTHING FOR CHILDREN

Age Group	Percentage of Cost of Adult Woman's Clothes applied.
0 - 4 years	25%
5 - 9 years	50%
10 - 15 years	75%

Source: Committee on Socio-Economic Surveys for Bantu Housing Research (1960): op. cit., p. 47.  
To fit in with the dietary age groupings, the oldest group was made 10-15 years, and not 10-16 years as in the original source.

TABLE V  
MONTHLY ITEMS COSTED FOR CLEANING MATERIALS, FUEL AND LIGHTING,  
for a Household of 5 Persons.

ITEMS	PRICE PER TOWN STUDIED.					
	Johannesburg	Pretoria	Durban	Benoni/ Springs	Witbank	Greytown
2 one pound bars of blue soap	R0.26	R0.26	R0.24	R0.24	R0.24	R0.28
2 one pound bars yellow soap	0.26	0.26	0.24	0.24	0.24	0.28
1 large double Sunlight soap	0.13	0.13	0.14	0.13	0.13	0.16
2 large packets soap powder (Rinso)	0.58	0.58	1.00	0.62	0.90	0.64
2 tins floor polish (Dandy)	0.36	0.36	0.42	0.30	0.42	0.46
1 small tin shoe polish	0.08	0.08	0.08	0.08	0.08	0.08
1 small tin stove polish	0.14	0.14	0.19	0.19	0.15	0.09
1 tin Vim	0.13	0.13	0.14	0.14	0.14	0.13
$\frac{1}{2}$ bottle Jik	0.10	0.10	0.09 $\frac{1}{2}$	0.10	0.12	0.17 $\frac{1}{2}$
3 bags Coal	1.63 $\frac{1}{2}$	1.50	3.00	1.50	1.05	2.30
1 bag Wood	0.54	0.50	0.50	0.35	0.25	0.25
2 gallons Paraffin	0.70	0.60	0.40	0.50	0.50	0.50
4 $\frac{1}{3}$ packets candles	0.56	0.65	0.47	0.65	0.65	0.65
4 boxes matches	0.04	0.04	0.04	0.04	0.04	0.04

Source of items and Johannesburg prices : Suttner (1966): op. cit., pp. 10 - 11, and based on her average family of 5 persons.

The way in which these items were split up into individual and household costs has been described in the text. Briefly restated:

$$\begin{array}{rcll} \text{Individual} & = & \text{Sunlight} & + \\ \text{Costs} & & \text{Soap} & + \\ & & \text{Powder} & + \\ & & \text{Shoe} & + \\ & & \text{Polish} & + \\ & & \text{Individual Fuel} & \\ & & \text{and Lighting Item} & \end{array}$$


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5 (because the items are  
for a household of 5)

Now the individual fuel and lighting item specified in the report by the Committee on Socio-Economic Surveys for Bantu Housing (1960) was 7 pence per week in 1952-53, or 30 pence (25 cents) per month of  $4\frac{1}{3}$  weeks. (op. cit., p. 62.) (How this was obtained is not specified.) Raising this figure by means of consumer price indices gives an estimated of 30 cents per month in 1966 for lighting,

.. for instance for Soweto, the individual costs are:

$$\begin{array}{rcl} & (\underline{13 + 58 + 8}) & + \text{ 30 cents per month} \\ & \underline{5} & \\ = & 16 + 30 \text{ cents} & = 46 \text{ cents per person per month.} \end{array}$$

Now on the basis of 30 cents per person per month, a family of 5 would need  $R0.30 \times 5 = R1.50$  per month for fuel and lighting, apart from the general household fuel and lighting needs. Thus the household component for fuel, lighting and cleansing can be estimated by totalling up all the items for a town in Table V, subtracting  $R1.50$ , and subtracting the cost of Sunlight soap, the soap powder and shoe polish. This procedure was followed for all towns.

Adding together the various components for the Poverty Datum Line yields Tables VI and VII:

TABLE VI

PRIMARY POVERTY DATUM LINE, THREE CITIES, 1966.

Age and Sex	SOWETO, JOHANNESBURG					PRETORIA				
	Clothing	Fuel & Cleansing	Total Clothing & Fuel & Cleansing	Food	Total all Items	Clothing	Fuel & Cleansing	Total Clothing & Fuel & Cleansing	Food	Total all Items
I. <u>Children</u> :	R	R	R	R	R	R	R	R	R	R
Under 4 years	0.61	0.46	1.07	3.27	4.34	0.61	0.46	1.07	3.08	4.15
4 - 6 years	1.22	0.46	1.68	3.60	5.28	1.22	0.46	1.68	3.41	5.09
7 - 9 years	1.22	0.46	1.68	4.52	6.20	1.22	0.46	1.68	4.27	5.95
10 - 12 years	1.82	0.46	2.28	4.94	7.22	1.82	0.46	2.28	4.68	6.96
II. <u>Boys and Men</u> :										
13 - 15 years	1.82	0.46	2.28	6.07	8.35	1.82	0.46	2.28	5.74	8.02
16 - 20 years	3.00	0.46	3.46	6.68	10.14	3.00	0.46	3.46	6.35	9.81
21 + years - manual workers	3.00	0.46	3.46	7.51	10.97	3.00	0.46	3.46	7.17	10.63
21 + years - other workers	3.00	0.46	3.46	5.66	9.12	3.00	0.46	3.46	5.33	8.79
III. <u>Girls and Women</u>										
13 - 15 years	1.82	0.46	2.28	5.80	8.08	1.82	0.46	2.28	5.48	7.76
16 - 20 years	2.43	0.46	2.89	5.69	8.58	2.43	0.46	2.89	5.38	8.27
21 + years	2.43	0.46	2.89	5.23	8.12	2.43	0.46	2.89	4.93	7.82
Household as a whole - Cleansing, Fuel and Lighting for all members					R3.23	R3.04				



TABLE VI (Contd.)

Age and Sex	DURBAN				
	Clothing	Fuel & Cleansing	Total Clothing & Fuel & Cleansing	Food	Total all Items
I. <u>Children</u> :	R	R	R	R	R
Under 4 years	0.62	0.54	1.16	3.54	4.70
4 - 6 years	1.25	0.54	1.79	3.89	5.68
7 - 9 years	1.25	0.54	1.79	4.85	6.64
10 - 12 years	1.88	0.54	2.42	5.26	7.68
II. <u>Boys and Men</u> :					
13 - 15 years	1.88	0.54	2.42	6.41	8.83
16 - 20 years	2.81	0.54	3.35	6.99	10.34
21 + years - manual workers	2.81	0.54	3.35	7.74	11.09
21 + years - other workers	2.81	0.54	3.35	6.01	9.36
III. <u>Girls and Women</u>					
13 - 15 years	1.88	0.54	2.42	6.12	8.54
16 - 20 years	2.50	0.54	3.04	6.01	9.05
21 + years	2.50	0.54	3.04	5.57	8.61
Household as a whole - Cleansing, Fuel and Lighting for all members			R4.23		

The figures for Soweto are calculated from prices given by Suttner (1966): op. cit.; except that the food components differed to a slight extent from her diet; the figures for Pretoria and Durban are the lowest prevailing prices (usually Bazaar prices) during the latter part of 1966.

TABLE VII

PRIMARY POVERTY DATUM LINE, FOUR TOWNS, 1966.

Age and Sex	BENONI (DAVEYTON)					SPRINGS (KWA THEMA)				
	Clothing	Fuel & Cleansing	Total Clothing & Fuel & Cleansing	Food	Total all Items	Clothing	Fuel & Cleansing	Total Clothing & Fuel & Cleansing	Food	Total all Items
<u>I. Children :</u>	R	R	R	R	R	R	R	R	R	R
Under 4 years	0.66	0.47	1.13	3.30	4.43	0.86	0.47	1.13	3.30	4.43
4 - 6 years	1.32	0.47	1.79	3.62	5.41	1.32	0.47	1.79	3.62	5.41
7 - 9 years	1.32	0.47	1.79	4.48	6.27	1.32	0.47	1.79	4.48	6.27
10 - 12 years	1.92	0.47	2.39	4.86	7.25	1.92	0.47	2.39	4.86	7.25
<u>II. Boys and Men :</u>										
13 - 15 years	1.92	0.47	2.39	5.89	8.28	1.92	0.47	2.39	5.89	8.28
16 - 20 years	3.01	0.47	3.48	6.45	9.93	3.01	0.47	3.48	6.45	9.93
21 + years - manual workers	3.01	0.47	3.48	7.27	10.75	3.01	0.47	3.48	7.27	10.75
21 + years - other workers	3.01	0.47	3.48	5.47	8.95	3.01	0.47	3.48	5.47	8.95
<u>III. Girls and Women</u>										
13 - 15 years	1.92	0.47	2.39	5.65	8.04	1.92	0.47	2.39	5.65	8.04
16 - 20 years	2.64	0.47	3.11	5.54	8.65	2.64	0.47	3.11	5.54	8.65
21 + years	2.64	0.47	3.11	5.09	8.20	2.64	0.47	3.11	5.09	8.20
Household as a whole - Cleansing, Fuel and Lighting for all members					R2.75	R2.75				

TABLE VII (Contd.)

Age and Sex	WITBANK					GREYTOWN				
	Clothing	Fuel & Cleansing	Total Clothing & Fuel & Cleansing	Food	Total all Items	Clothing	Fuel & Cleansing	Total Clothing & Fuel & Cleansing	Food	Total all Items
I. <u>Children</u> :	R	R	R	R	R	R	R	R	R	R
Under 4 years	0.61	0.52	1.13	3.50	4.63	0.60	0.46	1.06	4.33	5.39
4 - 6 years	1.22	0.52	1.74	3.83	5.57	1.20	0.46	1.66	4.67	6.33
7 - 9 years	1.22	0.52	1.74	4.71	6.45	1.20	0.46	1.66	5.71	7.37
10 - 12 years	1.83	0.52	2.35	5.13	7.48	1.80	0.46	2.26	6.09	8.35
II. <u>Boys and Men</u> :										
13 - 15 years	1.83	0.52	2.35	6.23	8.58	1.80	0.46	2.26	7.45	9.71
16 - 20 years	3.37	0.52	3.89	6.88	10.77	3.30	0.46	3.76	8.04	11.80
21 + years - manual workers	3.37	0.52	3.89	7.71	11.60	3.30	0.46	3.76	9.18	12.94
21 + years - other workers	3.37	0.52	3.89	5.82	9.71	3.30	0.46	3.76	7.04	10.80
III. <u>Girls and Women</u>										
13 - 15 years	1.83	0.52	2.35	5.98	8.33	1.80	0.46	2.26	7.19	9.45
16 - 20 years	2.44	0.52	2.96	5.87	8.83	2.40	0.46	2.86	7.06	9.92
21 + years	2.44	0.52	2.96	5.42	8.38	2.40	0.46	2.86	6.63	9.49
Household as a whole - Cleansing, Fuel and Lighting for all members					R2.30	R3.65				

These prices were costed at the lowest prevailing prices in each town during the latter part of 1966.

Tables VI and VII are used in the following way to calculate the Primary Poverty Datum Line for a household:

The Primary Poverty Datum Line of a household = Sum of the components for each individual in a household plus the household item for fuel, lighting and cleaning. For instance, given a household of 6 persons consisting of the man who is a manual labourer, a woman, a boy aged 13 - 15 years, a girl aged 10 - 12 years, and two children aged 7 - 9 years, in Durban we would have:

$$R11.09 + R8.61 + R8.83 + R7.68 + R6.64 + R6.64 + R4.23 = R53.72.$$

To calculate the Secondary Poverty Datum Line the cost of Rent and Workers' Transport to and from work must be added. If we assume the rent was a typical township figure of R5.50, and the workers' transport R2.75, the cost for a household would be:

$$R53.72 + R5.50 + R2.75 = \underline{R61.97}$$

Thus, in this case, the household in Durban would need a theoretical minimum income of R61.97 per month to maintain health and decency given short-run conditions only.

Taking our hypothetical family of 6 persons, the Primary Poverty Datum Line - i.e. the theoretical minimum cost of living after rent and workers' transport have been paid, in 1966 in each of the 7 towns studied was:

Johannesburg	-	R50.29 per month.
Pretoria	-	48.37
Durban	-	53.72
Springs	-	49.77
Benoni	-	49.77
Witbank	-	51.24
Greytown	-	58.74

These variations reveal variations in the minimum cost of living in the different towns. Most interesting is the fact that the smallest town - Greytown, which is a small non-industrial town - has the highest cost structure, largely because of food prices. This is a phenomenon which the investigator has suspected was occurring in small towns, and Greytown's figures suggest that this hypothesis may be correct. If so, then the amount of poverty in small towns may well be greater than in the larger towns, if there is the postulated situation of a higher price structure combined with a lower wage structure. This warrants investigating with a sample of small towns.

It must be stressed that the Poverty Datum Line figures given in the above tables are theoretical minima, taking only short-term considerations into account and assuming the wisest of expenditure. Batson has commented that -

"It is perhaps more remarkable for what it omits than for what it includes. It does not allow a penny for amusements, for sport, hobbies, education, medicine, medical or dental care, holidays, newspapers, stationery, tobacco, sweets, gifts, or pocket money, or for comforts or luxuries of any kind, or for replacement of household equipment and furniture, or for hire purchase or insurance or saving ..... It is not a 'human' standard of living. It thus admirably fulfils its purpose of stating the barest

minimum upon which sustenance and health can theoretically be achieved under Western conditions."<sup>1]</sup>

Because the Poverty Datum Line excludes so much, in practice the income has to be considerably above that indicated by the Poverty Line before the amount spent on the components is the minimum suggested. Obviously other items not included in the Poverty Datum Line absorb some of the household income. Batson has found that only when the income reaches about 150 per cent of the Poverty Datum Line, is a family able to actually spend on food and other components of the line the minimum indicated. With a lower income than this, food and clothing are sacrificed to the detriment of health in order to find money for other items. Batson calls this level of one and a half times his Secondary Poverty Datum Line the "minimum efficiency level".<sup>2]</sup> From this it follows that because the poor do not and cannot budget in the wisest possible way, and because they cannot restrict their expenditure purely to the minimum items, in any community the amount of poverty present will be greater than that suggested by merely taking the proportion of households whose income falls below the Secondary Poverty Datum Line. Any estimates based purely on the Secondary Poverty Datum Line are conservative.

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- 1] Batson, E. (1944): Series of Reports issued by the Social Survey of Cape Town : Report No. RS. 20] : University of Cape Town, Cape Town. (Mimeographed), p. 2.
- 2] Batson, E. (1945): The Poverty Line in Salisbury : University of Cape Town, Cape Town, p. 14.

The Poverty Datum Line also provides a theoretical basis for determining minimum wage levels. The Secondary Poverty Datum Line must be used for this purpose, and not the Primary Poverty Datum Line which excludes the very important factors of rent and transport to and from work. However, a far more desirable level to be used in determining minimum wages would be the minimum effective level, and this is commended for serious consideration.

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